

REMARKS

In the Action, claims 127-189 were pending. Upon entry of the present Amendment, non-elected claims 127-174, 177, 188 and 189 are canceled without prejudice or disclaimer, while claims 175-176 and 178-187 remain pending, and claims 190-198 are added. Applicant submits that these new claims do not introduce new matter to the specification, as support may be found, among other places, pages 21-22 of the specification.

Claims 127-174, 177 and 188-189 stand rejected under 35 U.S.C. 101 as being directed towards non-statutory subject matter. Applicant submits that this rejection is moot in view of the claims as amended herein.

Claims 175-176 and 178-187 also stand rejected under 35 U.S.C. 102(e) as being anticipated by *Joao et al.* (U.S. Pat. No. 6,047,270). Applicant respectfully requests reconsideration and withdrawal of this rejection, in view of the Amendment and Remarks contained herein.

Amended independent claim 175 recites the following steps:

storing a plurality of predetermined sale limits for a plurality of users in a computing device communicatively coupled to the Internet;

receiving a transmitted request for a sale transaction over the Internet;

receiving information transmitted from a user in said sale transaction, wherein said information includes a password;

determining whether said password is valid, and if said password is valid, using said information from said user in said sale transaction to identify a predetermined sale limit from said computing device for said user in said sale transaction; and

limiting said user in said sale transaction to said predetermined sale limit.

In rejecting claim 175, the Action alleges that each and every recited feature is shown in *Joao et al.*, a patent that relates to a system that notifies a credit account owner (e.g., through a cell phone, pager, fax machine, etc.) whenever a purchase is about to be made using that owner's credit card, where the owner can respond by giving his/her approval. *See, e.g., Joao et al.*, col. 7, lines 26-44 (addressing the owner's response). *Joao et al.* does not teach or suggest the method recited in amended claim 175. For example, *Joao et al.* does not teach or suggest the step of "determining whether said password is valid, and if said password is valid, using said information from said user in said sale transaction to identify a predetermined sale limit for said user in said sale transaction." The Action alleges that *Joao et al.* discloses use of a password at columns 7 and 8. Action, p. 4. However, the cited portion of the patent does not mention the recited use of a password. Indeed, such a password would be unnecessary to the *Joao et al.* user, since the system already contacts the user via the user's own communication device 4 (such as a pager), which is already located at the user's location. *See, e.g., Joao et al.*, col. 20, lines 14-15.

For at least the above reasons, amended independent claim 175 distinguishes over *Joao et al.*, and is in condition for allowance. Claims 176 and 178-187 depend from claim 175, and are distinguishable for at least the same reasons as claim 175, and further in view of the features recited therein. For example, claim 181 recites "[t]he method of claim 179, where said address information is a billing address." The Action cites to *Joao et al.*, cols. 11-12 for this feature, but a review of those columns shows no such recited feature. As another example, claim 183 recites "[t]he method of claim 175, further comprising a step of determining a sale limit for a user for whom no predetermined sale limit has been stored in

said step of storing.” The Action cites *Joao et al.*, col. 8, to show this feature, but that column fails to teach or suggest the recited feature. Indeed, the only limits imposed by the *Joao et al.* system are those that are already stored in the central processing computer for the credit account holder – there is no teaching or suggestion for “determining a sale limit for a user for whom no predetermined sale limit has been stored in said step of storing,” as recited in claim 183.

New claims 190-198 recite various novel and advantageous features, and also distinguish over the art of record. For example, new independent claim 190 recites as follows:

storing, in a device communicatively coupled with a controller, a credit database identifying credit accounts associated with users, wherein said credit accounts include one or more credit limits for said users;

receiving a request from one of said users for a sale transaction over said communication network, said request including user information;

performing, using said controller, initial fraud control with said user information and said credit database;

executing said sale transaction if said initial fraud control determines that said sale transaction would not exceed a credit limit for said user;

temporarily blocking said sale transaction if said initial fraud control determines that said sale transaction would exceed a credit limit for said user;

providing said user with an opportunity to take corrective action associated with said credit account to permit said temporarily-blocked sale transaction; and

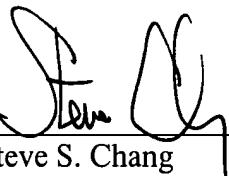
executing said temporarily-blocked sale transaction after said user takes corrective action associated with said credit account.

Appln. No. 09/432,811
Amendment dated November 18, 2004
Reply to Office Action of August 27, 2004

The art of record does not teach or suggest such a method, with its recited temporary blocking.

For at least the reasons set forth above, Applicant submits that claims 175-176, 178-187, and 190-198 distinguish over the art of record, and are in condition for allowance. If the Examiner believes that further discussion and/or amendment would be helpful to place the application in condition for allowance, the Examiner is invited to telephone the Applicant's undersigned representative at the number appearing below.

Respectfully submitted,

By: 
Steve S. Chang
Registration No. 42,402

Date: November, 18, 2004

BANNER & WITCOFF, LTD
1001 G Street, N.W., 11th Floor
Washington, DC 20001
(202) 824-3000